Ms. Cheryl A. Harris
Associate Regional Administrator
Division of Medicaid and Children's Health
Region V, Centers for Medicare and Medicaid Services
Department of Health and Human Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519

Re: MI Choice Home and Community-Based Services for the Elderly and Disabled Waiver, Control Number 233.90.R1

Dear Ms. Harris:

Attached please find a revised Appendix G, Financial Documentation, for Michigan's renewal application for the MI Choice waiver. With CMS's approval of this renewal request, it is the state's intent to resume enrollment in the waiver program as of May 1, 2003, and to carefully manage each year's new beneficiary phase-in [the C value] to stay within the budgetary parameters set by the Michigan legislature.

Consistent with recent discussions between Michigan and CMS staff, I am highlighting Michigan's request for an effective date of October 1, 2002 [as submitted previously in item 19 of the application section of the preprint]. This will allow the MI Choice waiver to run concurrently with the State's fiscal year. Also, based on those discussions, I am providing assurance that Michigan will not be changing the existing nursing facility level of care criteria with this renewal application, nor will the State be instituting any new provisions requiring individuals currently enrolled in MI Choice to leave the waiver. As has always been the case, if an individual's annual reassessment affirms that he/she no longer meets eligibility criteria, the waiver agent has considerable latitude to work with the individual to ensure placement in the most appropriate alternative program option.

Based on prior dialogue and correspondence between CMS and Michigan staff, in particular the letters and materials submitted as part of this renewal process during September and October, 2002, I believe that the revised Appendix G and the assurances provided herein represent the last in the series of submission documents needed by CMS for consideration of the state's renewal request.

I appreciate your careful review of our application. If further clarification is needed, please contact Brenda Fink at (517) 241-8475 or me at (517) 241-7882.

Sincerely,

Paul Reinhart, Deputy Director for Medical Services Administration

PR/jm

cc: Janet Olszewski

Patrick Barrie Irene Kazieczko Brenda Fink William Hart Minnie Hood-Griffin Hye Sun Lee